



County of San Diego

HA DANG
AGRICULTURAL COMMISSIONER/
SEALER OF WEIGHTS & MEASURES

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ASST. AGRICULTURAL COMMISSIONER/
SEALER OF WEIGHTS & MEASURES

February 25, 2021

INVITATION - FEE PROPOSAL WORKSHOPS

The County of San Diego Department of Agriculture, Weights and Measures (AWM) is committed to support a diverse agricultural community, a sustainable environment, and a fair marketplace while providing quality services in a cost-effective manner.

This proposal represents AWM's commitment to the Board to make cost recovery a regular part of business and ensure compliance with Board Policy B-29 *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery*. This policy directs departments to recover the cost of services from individuals or entities that receive and benefit from the services provided, except where the Board has previously directed the waiver of fees. While we are cognizant of the COVID-19 pandemic impacts on agricultural businesses, AWM has heard from customers that annual fee updates are preferred in order to avoid large increase adjustments and to allow businesses to regularly plan for fee adjustments.

The last cost recovery proposal approved by the Board was on May 1, 2019 for Fiscal Year 2019-20. The fees proposed today for Fiscal Year 2021-22 are necessary to address cost increases based on negotiated labor agreements that increase costs on July 1, 2021. There are also anticipated mandates and regulatory changes for next year, especially for Industrial Hemp Cultivation. AWM has applied cost savings derived from operational efficiencies and County and State funding where applicable to mitigate the fee adjustments. Finally, AWM's cost recovery proposal for FY 2020-21 did not move forward due to the timing and uncertainty of the COVID-19 pandemic.

After completing an annual cost review, AWM is proposing increases to 17 fees, while adding 1 and leaving 15 fees unchanged. On average, the increase in fees is \$5 for an overall adjustment of approximately 5%.

We will present the following fee adjustments for the programs below to the County Board of Supervisors on April 7 and May 5, 2021 for approval to be effective July 1, 2021. The fee adjustments are as follows:

Pest Exclusion – Export Certification	Current Fee	New Fee	Change
International Plant Shipment Certificate	\$96	\$101	\$5
International Counter Service Certificate	\$75	\$78	\$3
Domestic Plant Shipment Certificate	\$41	\$43	\$2
Domestic Counter Service Certificate	\$34	\$35	\$1
Missed Appointment Fee	\$68	\$70	\$2
Hourly Rate	\$130	\$140	\$10
After Hours Inspection Hourly Rate	\$195	\$210	\$15

Direct Marketing	Current Fee	New Fee	Change
Certified Farmers' Market Certificate	\$185	\$190	\$5
Certified Producer's (CP) Certificate	\$54	\$56	\$2
Additional County Listing on CP	\$11	\$12	\$1
CP's Certificate Change or Addition	\$11	\$12	\$1
Hourly Rate	\$161	\$166	\$5
Verification of Agriculture			
Application Processing	\$145	\$152	\$7
Follow-up Site Visit Hourly Rate	\$100	\$104	\$4
Apiary			
Apiary Certification Hourly Rate	\$135	\$140	\$5
Industrial Hemp Cultivation			
Hourly Rate	\$126	\$136	\$10
Option 1 – Annual License Fee for full cost recovery (new)	N/A	\$1,502	N/A
Option 2 – Annual License Fee with offset (new)	N/A	\$200	N/A

Industrial Hemp Cultivation Program

Due to annual anticipated cost increases, AWM proposes to increase the Industrial Hemp Cultivation Program's existing hourly rate from \$126 to \$136 (\$10 over two Fiscal Years 19-20 and 20-21) and establish a new annual license fee (license fee).

The proposed hourly rate allows AWM to recover the costs of activities specific to individual growers, such as harvest verification, sample collection, observation of crop removal, site inspections; or requested services.

The proposed license fee would allow AWM to recover the unreimbursed costs for program-wide services and activities that benefit all hemp growers, such as industry outreach, staff training, investigation, enforcement, complaint response, program development and monitoring. There are two options for the County Board of Supervisors' consideration.

Option 1: license fee of \$1,502 for full cost recovery.

Option 2: license fee of \$200. AWM proposes to offset the remaining cost with anticipated State and County funding for Fiscal Year 2021-22.

You are invited to attend a workshop so we may provide you additional information and answer your questions. The workshop content is the same with two different dates listed below to accommodate your schedule.

When:	Tuesday, March 9, 2021
Time:	4 PM – 5 PM
RSVP:	(858) 614-7786 or sdcawm@sdcountry.ca.gov

When:	Wednesday, March 10, 2021
Time:	4 PM – 5 PM
RSVP:	(858) 614-7786 or sdcawm@sdcountry.ca.gov

The workshops will be held virtually and a link to these meetings will be available at AWM's website, <https://www.sandiegocounty.gov/content/sdc/awm/fees.html>, where you will be able to access the meeting on the specified dates and times

Please RSVP today by e-mailing sdcawm@sdcountry.ca.gov the date/time you are interested in attending to ensure you don't miss these updates. Please include if translations services are requested in Arabic, Chinese, Spanish, Tagalog, or Vietnamese.

التاريخ / الوقت كنت ترغب في حضور لضمان sdcawm@sdcountry.ca.gov اليوم عن طريق البريد الإلكتروني RSVP يرجى أنك لا تفوت هذه التحديثات. يرجى تضمين ما إذا كانت خدمات الترجمة المطلوبة بالعربية أو الصينية أو الإسبانية أو التاغالوغية أو الفيتنامية.

请RSVP今天通过电子邮件sdcawm@sdcountry.ca.gov您有兴趣参加的日期/时间，以确保您不会错过这些更新。如果要求使用阿拉伯语、中文、西班牙语、塔加禄语或越南语提供翻译服务，请提供

Por favor, RSVP hoy enviando un correo electrónico sdcawm@sdcountry.ca.gov la fecha / hora en que está interesado en asistir para asegurarse de que no se pierda estas actualizaciones. Incluya si se solicitan servicios de traducciones en árabe, chino, español, tagalo o vietnamita.

Mangyaring RSVP ngayon sa pamamagitan ng pag-email sdcawm@sdcountry.ca.gov sa petsa/oras na ikaw ay interesado sa pagdalo upang matiyak na hindi mo nakuha ang mga update na ito. Mangyaring isama kung ang mga serbisyo ng pagsasalin ay hinihiling sa Arabic, Chinese, Espanyol, Tagalog, o Vietnamese.

Vui lòng RSVP ngay hôm nay bằng cách gửi email sdcawm@sdcountry.ca.gov ngày / giờ bạn quan tâm đến việc tham dự để đảm bảo bạn không bỏ lỡ các cập nhật này. Vui lòng bao gồm nếu yêu cầu dịch vụ dịch thuật bằng tiếng Ả Rập, tiếng Trung, tiếng Tây Ban Nha, tiếng Tagalog hoặc tiếng Việt.

If you have questions regarding the fees, please contact the following AWM staff members:

- Pest Exclusion, Verification of Agriculture, or Apiary: Deputy Agricultural Commissioner Travis Elder by phone at (760) 752-4700 or by email at Travis.Elder@sdcountry.ca.gov.
- Direct Marketing or Industrial Hemp: Deputy Director Garrett Cooper by phone at (858) 614-7702 or by email at Garrett.Cooper@sdcountry.ca.gov.

1. Why is AWM proposing fee adjustments when agricultural businesses are impacted by COVID?

Based on the Board of Supervisors and affected stakeholders' feedback from previous fee adjustment proposals, AWM implemented an annual cost review process. This proposal represents AWM's commitment to the Board to make cost recovery a regular part of business and ensure compliance with Board Policy B-29 *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery*. This policy directs departments to recover the cost of services from individuals or entities that receive and benefit from the services provided, except where the Board has previously directed the waiver of fees. While we are cognizant of the COVID-19 pandemic impacts on agricultural businesses, AWM has heard from customers that annual fee updates are preferred in order to avoid large increase adjustments and to allow businesses to regularly plan for fee adjustments.

The last cost recovery proposal approved by the Board was on May 1, 2019 for Fiscal Year 2019-20. The fees proposed today for Fiscal Year 2021-22 are necessary to address cost increases based on negotiated labor agreements that increase costs on July 1, 2021. There are also anticipated mandates and regulatory changes for next year, especially for Industrial Hemp Cultivation. AWM has applied cost savings derived from operational efficiencies and County and State funding where applicable to mitigate the fee adjustments. Finally, AWM's cost recovery proposal for FY 2020-21 did not move forward due to the timing and uncertainty of the COVID-19 pandemic.

2. What has AWM done to contain costs?

The practice of focusing on continuous improvement, implementing operational efficiencies, and prioritizing resources in key areas has positioned AWM to respond to regulatory changes and customer needs. AWM's continued success is also attributed to effective working relationships with various stakeholders. AWM strives to enhance programs to be effective and efficient in achieving positive outcomes and making a collective impact. Since the last fee proposal, AWM has improved operational efficiency by leveraging technology, streamlining processes and aligning staff classification with program activity. Innovations include virtual inspections, mobile inspection apps, coupling site inspections, reduced need for travel and 1-on-1 outreach. This resulted in an annual savings of \$273,000, without which fees would increase on average an additional 8% for Export Certification, 9% for Direct Marketing, and 14% for Industrial Hemp Cultivation.

3. How was the fee package developed?

AWM conducted an analysis of its programs including a review of state mandates, program operations, inspection frequencies, service levels, and benchmarking to obtain a comprehensive understanding of how our fees compare to similar counties. We considered the projected program costs for Fiscal Year 2021-22, cost savings due to operational efficiencies, and available offset funding sources to determine the proposed fee adjustments. The County Auditor and Controller reviewed the supporting documentation and the methodology in this proposal to ensure compliance with County policies.